




United States Bankruptcy Court
61288, Houston TX 77208SOUTHERN DISTRICT OF TEXAS P.O.Box
(Houston Division)

PROOF OF CLAIM

Name of Debtors <input checked="" type="checkbox"/> Stage Stores, Inc., a Delaware corporation <input type="checkbox"/> Specialty Retailers, Inc., a Texas corporation <input type="checkbox"/> Specialty Retailers, Inc. (NV), a Nevada corporation *place an "x" beside the name of the Debtor you are filing a claim against		Case Number 00-35078-H2-11 00-35079-H2-11 00-35080-H2-11	Creditor ID#: 788-22533 United States Bankruptcy Court Southern District of Texas FILED AUG 07 2000 Michael N. Milby, Clerk
Name of Creditor (The person or other entity to whom the debtor owes money or property): Gerald Or Sue Wilkins	<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.		
Name and address where notices should be sent: *****AUTO**ALL FOR AADC 820 Gerald Or Sue Wilkins 246 N Bent St Powell WY 82435-2336 	<input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.		
Account or other number by which creditor identifies debtor:		Check here <input type="checkbox"/> replaces if this claim <input type="checkbox"/> amends a previously filed claim, dated: _____	
1. Basis for Claim <input type="checkbox"/> Goods sold <input type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input checked="" type="checkbox"/> Taxes <input type="checkbox"/> Other <u>Rental payments on lease agreement by Stage Stores, Inc.</u>		<input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensation (Fill out below) Your SS#: _____ Unpaid compensation for services performed from _____ (date) to _____ (date)	
2. Date debt was incurred: <u>Original lease dated 5/31/94, which was later assumed by Stage Stores, Inc.</u>		3. If court judgment, date obtained:	
4. Total Amount of Claim at Time Case Filed: <u>\$ at this time, lease payments are current, monthly lease payments are \$1,708.33</u> If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.			
5. Secured Claim. <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other All personal and intangible property of Debtor's Estate Value of Collateral: \$ _____ Amount of arrearage and other charges <u>at time case filed</u> included in secured claim, if any \$ _____		6. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4,300)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3) <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4) <input type="checkbox"/> Up to \$1,950* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6) <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7) <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8) <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)_____ *Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.	
7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.		This Space is for Court Use Only	
8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.		 001212	
9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.			
Date 8/2/00	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any):  Gerald R. Wilkins, Lessor		
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.			

ATTACHED IS A COPY OF THE LEASE BETWEEN GERALD R. WILKINS AND C.R.
ANTHONY COMPANY. STAGE STORES, INC. ASSUMED THIS LEASE AS LESSEE.
ORIGINAL COPIES OF THE LEASE ARE HELD BY LESSOR.

RETAIL BUILDING LEASE

THIS LEASE, entered into this 31 day of May, 1994, by and between GERALD R. WILKINS and SUE WILKINS, husband and wife, hereinafter referred to as "Lessor", and C. R. ANTHONY COMPANY, an Oklahoma corporation, hereinafter referred to as "Lessee";

W I T N E S S E T H:

1. DEFINITIONS.

1.1 Leased Space. The approximate 7,000 square feet of retail store building space shown on the drawing attached hereto as Exhibit "A", which building is located on the Real Property and all interests in the Real Property created in Lease hereunder.

1.2 Real Property. The certain Real Property more particularly described on Exhibit "B" attached hereto.

2. PREMISES. In consideration of the covenants and agreements hereinafter set forth, Lessor does hereby lease, demise and let unto Lessee the Leased Space, together with the Real Property and all rights, easements, entrances, approaches and exits appurtenant to the Leased Space and Real Property.

3. TERM. The term of this Lease shall run and extend for two (2) years and two (2) months from and after the Commencement Date, unless sooner terminated as herein provided or unless extended or renewed upon the terms hereinafter stated.

3.1 Commencement Date. The Commencement Date of the term of this Lease shall be June 1, 1994.

3.2 Renewal of Lease. The Lease shall be extended automatically under the same terms, conditions and covenants herein contained (except rental) for five (5) additional terms of two (2) years each, each extended term to begin at the expiration of the preceding term, unless at least three (3) months prior to the expiration of the then current term, Lessee shall notify Lessor that the Lease will terminate at the end of such current term. During each two (2) year renewal, the rental shall be due and payable each month in advance in the following amounts:

First Renewal - \$19,000.00 year; \$1,583.33 month;
Second Renewal - \$20,000.00 year; \$1,666.67 month;
Third Renewal - \$20,500.00 year; \$1,708.33 month;
Fourth Renewal - \$21,000.00 year; \$1,750.00 month;
Fifth Renewal - \$21,500.00 year; \$1,791.67 month.

4. RENTAL. Lessee agrees to pay Lessor as Rental for the Leased Space the following:

4.1 Minimum Rental. A Minimum Rental for the Leased Space of Eighteen Thousand and 00/100 Dollars (\$18,000.00) per Lease Year payable at the rate of One Thousand Five Hundred and 00/100 Dollars (\$1,500.00) per month in advance beginning on the Commencement Date and continuing thereafter on the first day of each calendar month for the term of the Lease.

5. LESSOR'S COVENANTS AND REPRESENTATIONS. In addition to all other covenants and agreements by Lessor found in this Lease, the Lessor hereby specifically covenants and represents as follows:

5.1 Zoning. The Real Property is zoned for the type of business operation contemplated by Lessee.

5.2 Quiet Enjoyment. The Lessor has good and marketable indefeasible fee simple title to the Leased Space and Real Property and warrants that there are no encumbrances or liens thereon, except those previously disclosed in writing to the Lessee. Lessor has full authority to execute this Lease and further warrants to the Lessee that it shall have, hold and enjoy the Leased Space and its rights hereunder during the term hereof.

5.3 Utilities. Lessor, at its own cost, shall furnish, install and maintain adequate utility lines and services to serve the Leased Space, which utilities shall be separately metered to the Lease Space. Lessee shall pay for the separately metered utility services which it uses at the Leased Space.

5.4 Compliance With Laws. Lessor agrees to make, at Lessor's own cost and expense, all necessary changes, additions, alterations and improvements to the Leased Space and appurtenances thereto, that may be required at any time during the term hereof to make the Leased Space comply with all laws, ordinances, rules and regulations of all duly constituted city, county, state or federal authorities; provided, however, Lessee will, at Lessee's own cost and expense, comply with all laws, rules and regulations applicable to the particular nature of Lessee's use of the Leased Space and shall make such alterations of the Leased

Space as are necessary due to the particular nature of the use made thereof by Lessee.

5.5 TAXES. At all times during the term hereof all ad valorem taxes, real estate taxes and similar taxes, special assessments and any other taxes levied or assessed against the Leased Premises or any part thereof by reason of the ownership of said property shall be paid and discharged by Lessor before becoming delinquent. Lessee shall reimburse Lessor for such taxes within sixty (60) days after the calculation of such taxes based on paid receipts for all such taxes on the Leased Premises, which receipts shall be obtained and delivered by Lessor to Lessee. Notwithstanding anything else contained in this Paragraph to the contrary, Lessee shall have no obligation to pay such taxes under this Paragraph, the statement for which shall have been received by Lessee more than one (1) year after the taxes shown on such statement have become delinquent. Lessee is entitled to appear with, or on behalf of, Lessor before any taxing authority for the purpose of protesting such taxes or any increase in such taxes.

6. MAINTENANCE RESPONSIBILITY. The Lessor and the Lessee shall have the following responsibilities for maintenance of the Leased Space.

6.1 Maintenance by Lessor. Lessor, at its cost and expense, shall keep in repair all of the exterior of the Leased Space, specifically including, the roof, downspouts, gutters, sidewalks, walls and shall be responsible for all interior and exterior repairs of a structural nature or arising out of structural defect, of which plastered surfaces shall be considered a part. Lessor shall repair plate glass broken on the outside windows, which breakage is the result of cause arising on the exterior of the building.

6.2 Maintenance by Lessee. Lessee, at its costs, shall keep all the interior of the Leased Space in repair, including exposed plumbing, heating and air conditioning units, doors and door closers, except for reasonable wear and tear, damage by fire and the elements and unavoidable casualty; provided, that the Lessee shall be entitled to all parts and service guaranties and any warranties in effect on equipment which it is responsible for maintaining under the terms hereof. Lessee shall also maintain and keep in repair all exterior doors, shall repair breakage in the plate glass of outside windows resulting from any cause arising from the interior of the building. No structural changes may be made without the written consent of the Lessor.

6.3 Remodeling at Lessee's Expense. During the term hereof, or any extension thereof, Lessee and its successors and assigns, shall have the right and the privilege to

redecorate and remodel the interior of the Leased Space from time to time as it shall see fit; to erect and install such machinery and equipment, counters, shelving, light fixtures, partitions, fixtures and signs in, upon and about said Leased Premises as in Lessee's judgment may be necessary or desirable in the conduct of its business and to change the same in its sole discretion. Lessee shall also have the right to open two 12 feet by 8 feet entrances in the north wall of the store building on the Leased Premises to allow access to the building adjoining the Leased Premises on the north. Upon written notice from Lessor within thirty (30) days after the expiration of the Lease, and all renewals thereof, the Lessee will restore said north wall to the condition it was at the time the entrances were created; provided that this obligation shall not exist if the Lease is terminated by reason of default of the Lessor.

6.4 Emergency Repairs. Lessee may make any emergency repairs or pay any expenses required to be paid by Lessor up to the sum of One Thousand and No/100 Dollars (\$1,000.00), provided Lessee has used reasonable effort to contact Lessor or Lessor's representatives by telephone at telephone numbers designated in writing by Lessor to the Lessee and any such payments shall be deducted from the next following Minimum Rental payment or payments.

7. ADVERTISING SIGNS. Lessee may erect its standard signs on the exterior of its Leased Space in a manner and location satisfactory to Lessee. Lessee shall install its signs at its own expense and may remove them at the termination of this Lease. Any damage to the building as a result of the removal of Lessee's signs shall be repaired at the expense of the Lessee. Lessor shall not erect, nor permit to be erected, any signs on the Leased Space other than those of Lessee.

8. EMINENT DOMAIN - CASUALTY LOSS. The Lessor and the Lessee agree as follows:

8.1 Eminent Domain Affecting Leased Space. In the event any part of the Leased Space should be taken by any public authority under the power of eminent domain or by transfer in lieu thereof, then the terms of this Lease shall cease on that part on the date of condemnation or transfer in lieu thereof, and the rent shall be paid up to that day, and from that day, the Minimum Rental shall be reduced in proportion to the amount of the store room taken; provided, however, that should fifteen (15) percent or more of the Leased Space be taken by the power of eminent domain or by transfer in lieu thereof, Lessor shall give Lessee written notice thereof and Lessee shall have the option, to be exercised within sixty (60) days after receipt of written notice, to cancel this Lease and declare the same null and

void effective on the date such option is exercised. If Lessee should not elect to cancel this Lease, Lessor shall, at its sole cost, build on the new building line a wall, or front, similar to the one removed. It is understood and agreed that any and all condemnation awards or payments shall be paid to and retained by Lessor, except that Lessee shall be entitled to any award or payment made for damage to fixtures, equipment and merchandise owned by Lessee (including cost of removal of same), loss of Lessee's business and moving expense.

8.2 Destruction of Leased Space. In the event the Leased Space should be partially destroyed (less than twenty-five (25) percent) as a result of fire or other casualty, regardless of the cause, then Lessor shall, at its sole cost and expense, promptly, and in any event within thirty (30) days, commence to build or place the same in as good condition as prior to such casualty. In the event the Leased Space should be substantially (twenty-five (25) percent or more) destroyed as a result of fire or other casualty, or it should be untenable and unfit for occupancy, then, Lessee may at Lessee's sole option, expressed to Lessor in writing within fifteen (15) days of such occurrence, (i) require the Lessor to promptly, and in any event within thirty (30) days of such notice from Lessee, commence to build or replace the same as aforesaid or (ii) terminate this Lease, effective on the date of such casualty. In the event that Leased Premises should be destroyed to the extent of seventy-five (75) percent or more as a result of fire or other casualty, then Lessor shall also have the option as to Lessee in writing within fifteen (15) days of such occurrence to terminate this Lease effective on the date of such casualty. Monthly Rent shall abate proportionate to use in event of partial or complete destruction during the term of this Lease. Lessor shall have no interest or claim to any portion of the proceeds of any insurance carried by Lessee on Lessee's personal property. Lessee shall have no interest in or claim to any portion of the proceeds of any fire and extended insurance policy or policies carried by Lessor.

8.3 Destruction After 3/4 of the Lease Term. Anything herein contained to the contrary notwithstanding, if any such damage, loss or destruction as described in Paragraph 8.2 shall take place after 3/4 of the primary term or any extended term of this Lease shall have expired, Lessee and Lessor shall each have the option to declare this Lease ended and terminated, whether or not Lessor decides and elects to rebuild and restore the Leased Premises. Notice of such election shall be given in writing by within fifteen (15) days from the date of such loss or destruction.

9. INSURANCE.

9.1 Insurance. At all times during the term of this Lease, Lessee, at its own cost and expense, shall carry, on the Leased Premises, fire insurance with additional coverage commonly known as Supplemental Contract or Extended Coverage, together with coverage for vandalism and malicious mischief, covering the interests of the Lessor and Lessee, written by a financially responsible insurer duly authorized to do business in the State of Wyoming, in an amount sufficient to prevent any coinsurance and in any event not less than eighty percent (80%) of the Full Insurable Value of the Leased Premises as determined from time to time. Lessee shall provide Lessor with satisfactory evidence that its insurance policy contains an adequate waiver of subrogation clause in favor of Lessor. Lessee shall provide Lessor with a copy of Lessee's certificate of insurance.

9.1.1 Full Insurable Value. The term Full Insurable Value shall mean actual replacement cost (exclusive of the cost of excavation, foundations and footings below the basement floor) without deduction for fiscal depreciation.

9.1.2 Failure of Lessee to Insure. If the Lessee shall fail, refuse or neglect to obtain such insurance or to maintain the same, and furnish the Lessor with proof of the same upon demand, the Lessor shall have the right to procure such insurance and the cost thereof shall be payable to the Lessor on demand with lawful interest thereon.

9.1.3 Notice From Insurance Company. The insurance company will agree that the Lessee will be given ten (10) days advance written notice of any cancellation or reduction of insurance under such policy and that copies of all endorsements and notices issued after the date of such policy will be forwarded to the Lessor.

9.2 Lessee's Insurance. Lessee, at its own cost and expense, shall carry on its fixtures, equipment, and merchandise in the Leased Space, fire insurance with additional coverage commonly known as Supplemental Contract or Extended Coverage, together with coverage for vandalism and malicious mischief, written by a financially responsible insurer authorized to do business in the State of Wyoming, in an amount not less than eighty percent (80%) of the cost of said items, with merchandise to be valued at the lower of cost or market under the retail method of accounting. Lessee shall provide Lessor with satisfactory evidence that its insurance policy contains an adequate waiver of subrogation clause in

favor of Lessor.

10. ASSIGNMENT AND SUBLETTING. Lessee shall have the right to discontinue its operation in the Leased Premises, to assign this Lease or to sublease the Leased Premises or any part thereof with the consent of Lessor, which shall not be unreasonably withheld. Should Lessee elect to discontinue its operation in the Leased Premises, to assign or to sublease, Lessee shall notify Lessor in writing of its election; provided that a sublease or assignment of this Lease to the Lessee's parent company or to a wholly owned subsidiary of Lessee shall not require a written notification to Lessor. No assignment of this Lease or any part thereof shall relieve the Lessee or its successors or assigns of any of the terms, covenants and conditions of this Lease, except with the written consent of Lessor. No assignment or sublease shall be made by Lessee which will cause the premises to be used for any purpose other than a retail, merchandising business or which will cause an increase in the premium paid for insurance upon said premise or which cause a substantially greater rate of wear and tear upon the premises. Upon assignment and sublease by the Lessee, the Lessee shall continue to be responsible for the rental payments.

11. INDEMNITY. Subject to the waiver of subrogation provisions of Paragraphs 9.1 and 9.2, the Lessor and the Lessee shall provide the following indemnification:

11.1 Lessor's Indemnity. Lessor agrees to indemnify and shall hold Lessee harmless against all claims, judgments, and demands of any person or persons whomsoever on account of injuries or accidents occurring in, on or about the Leased Premises, a result of willful or negligent acts of Lessor, his employees, agents or representatives; and Lessor shall carry at his expense, public liability insurance on the Leased Premises stipulating limits of not less than \$100,000 for each person, \$300,000 for each occurrence and \$50,000 for property damage with certificate of such insurance to be furnished to the Lessee.

11.2 Lessee's Indemnity. Lessee agrees to indemnify and shall hold Lessor harmless against all claims, judgments and demands of any person or persons whomsoever on account of any injuries or accidents occurring in its Leased Premises as a result of willful or negligent acts or omissions of Lessee, its employees, agents or representatives; and Lessee shall carry public liability insurance on its Leased Premises stipulating limits of not less than \$100,000 for each person, \$300,000 for each occurrence, and \$50,000 for property damage with certificates of such insurance to be furnished to Lessor.

11.3 Litigation Expense. In case any litigation is commenced by one of the parties hereto against the other, involving this Lease or the Leased Premises, the party not prevailing shall pay to the prevailing party all costs and attorney's fees and other expenses incurred in enforcing agreements and provisions of this Lease.

12. DEFAULT.

12.1 Lessee's Default - Rent. In the event Lessee should default in payment of rental, Lessor shall give Lessee written notice of such default by certified mail, and Lessee shall have thirty (30) days from the date of receiving such notice to correct same. Should Lessee fail to correct such default in said thirty (30) day period, Lessor shall have the rights and remedies hereinafter in sub-paragraph 12.3 set forth.

12.2 Lessee's Default - Other Covenants. In the event Lessee should fail to comply with any other provision of this Lease, Lessor shall give Lessee written notice of such default by certified mail, should such default continue to exist at the expiration of sixty (60) days from the date of mailing of such notice, and Lessee is not then engaged in prudent efforts to cure such default, and prudently pursued thereafter, Lessor shall have the rights and remedies hereinafter in sub-paragraph 12.3 set forth.

12.3 Lessor's Remedies for Default. Should Lessee fail to correct its defaults within the times provided as hereinabove in sub-paragraphs 12.2 or 12.3 set forth, then Lessor besides other rights or remedies he may have, shall have the immediate right of re-entry and may remove all persons and property from the premises and such property may be removed and stored in any other place in the building upon the premises, or in any other place, for the account of and at the expense and risk of Lessee. Lessee waives claims for damages which may be caused by re-entry of Lessor in taking possession of the premises or removing or storing the furniture and property as herein provided. No such re-entry by Lessor shall be considered or construed to be a forcible entry. Lessor may, either before or after re-entry, terminate the Lease on giving fifteen (15) days written notice of termination to Lessee. Without such notice re-entry will not terminate the Lease. After re-entry the Lessor may relet the premises or any part thereof for any term without terminating the Lease at such rental and on such terms as he may choose and Lessee shall, in addition to liability to Lessor for breach of the Lease, be liable for all expenses reletting and for alterations and repairs made and for the difference between the rent received by Lessor under the new Lease Agreement and the rent installments that are due for the same

period under the Lease. On termination of the Lease, Lessor may recover from Lessee all damages approximately resulting from the breach, including the cost of recovering the premises and the worth of the balance of this Lease or with a reasonable rental value of the premises for the remainder of the Lease term, which sum shall be immediately due to Lessor from Lessee. Lessee shall pay to Lessor all costs and attorneys fees incurred by Lessor in re-entry, reletting and terminating the Lease Agreement.

12.4 Lessor's Default. Should Lessor default in fulfillment of any of the covenants or agreements of this Lease and fail to correct such within sixty (60) days from receipt of written notice from Lessee of such default, Lessee, at its option, may (i) correct such default and deduct any and all cost as a result of such correction from rentals due or becoming due until Lessee shall be reimbursed in full for cost of such correction, or (ii) Lessee shall have the right, so long as default shall continue, to terminate this Lease.

13. TERMINATION OF LEASE. Lessee shall, at the termination of this Lease or any extension thereof, peacefully quit, surrender and deliver up to Lessor, his successors or assigns, the Leased Premises in as good condition as when received with the exception of loss or damage caused by usual wear and tear, fire, the elements, civil riot, war or other unavoidable casualty.

14. NOTICES. All notices required or options granted under this Lease shall be given or exercised in writing, and shall be deemed to be properly served if (i) sent by certified mail with return receipt requested or (ii) sent by telegram or (iii) personally delivered to the address hereinafter identified. Except as herein otherwise specifically provided to the contrary, the effective date of such notice or exercise of any option shall be the date which is stamped by the United States Post Office Department on the envelope enclosing same, the date of the telegram or the date on which personal delivery is made. The parties hereto shall not refuse to accept delivery of said notices.

14.1 Addresses. Until changed by written notice from the appropriate party to the other, the addresses of the parties are and shall be:

LESSOR: GERALD R. WILKINS
 SUE WILKINS
 246 N. Bent Street
 Powell, Wyoming 82435

LESSEE: C. R. ANTHONY COMPANY
 P. O. Box 25725
 Oklahoma City, Oklahoma 73125
 Attn: Real Estate Dept.

14.2 Rental Payment Address. Until appropriately changed by thirty (30) days written notice to Lessee, rent payments hereunder shall be made to Lessor either by mail or otherwise at this address set forth in Paragraph 14.1.

15. AUTHORITY. Each party hereto affirms and states that it has full right and authority to enter into and perform this Lease Agreement.

16. MEMORANDUM OF LEASE. The Lessor agrees that he will at any time, at the request of Lessee, execute a Memorandum of Lease, in recordable form, which will set forth a description of the Leased Premises, the term of the Lease and any other provisions hereof as Lessee may request, and Lessee may, at its option, record in the real property records of the county in which the Leased Premises is located.

17. CONSTRUCTION OF THE LEASE.

17.1 Modifications to Lease. Lessor and Lessee agree that no alterations, changes or modifications of this Lease shall be effective unless made in writing and executed in the same manner as is this present instrument and specifically agree that no verbal or oral changes are effective.

17.2 Partial Invalidity. Should any clause or provision of this Lease be invalid or void for any reason, such invalid or void clause shall not affect the whole of this instrument, but the balance of the provisions hereof shall remain in full force and effect.

17.3 Descriptive Headings. The descriptive headings of the paragraphs of this Lease are for convenience only and shall not be used in the construction of the contents hereof.

17.4 Binding Effect. It is covenanted between the parties hereto that all covenants and undertakings in this Lease contained shall extend to and be binding upon the respective successors and assigns of the parties hereto. The covenants and agreements contained herein shall run with the land and continue for the term of this Lease and any extension thereof.

17.5 Non-Waiver. Any assents, expressed or implied, by Lessor or Lessee to any breach of any specific covenant or condition herein contained, shall not be construed as an assent or waiver of any such covenant or condition generally, or of any subsequent breach thereof.

17.6 Choice of Law. This Lease covering Leased Premises located in the State of Wyoming shall be governed by and construed in accordance with the laws of the State of Wyoming.

IN WITNESS WHEREOF, the Lessor and Lessee have executed this Lease on the date first above written.

LESSOR:

GERALD R. WILKINS

SUE WILKINS

LESSEE:

C. R. ANTHONY COMPANY,
an Oklahoma corporation

ATTEST:

(SEAL)

Secretary

By _____

President

EXHIBIT "B"

LEGAL DESCRIPTION OF REAL PROPERTY

Lot Number Twenty (20) in Block Number Forty-four (44), Original Townsite of Powell, Park County, Wyoming, together with the one-story store building located thereon, said store building being in dimension approximately 50 feet by 140 feet.